Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

<u>10:00 AM</u>

2:18-10408 Christina Marie Uzeta

Chapter 7

#1.00 APPLICANT: Trustee, Rosendo Gonzalez

Hearing re [77] and [78] Applications for chapter 7 fees and administrative expenses

Docket 0

*** VACATED *** REASON: NOTICE OF WITHDRAWAL FILED 4-20-

21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Christina Marie Uzeta Represented By

Heather J Canning David Brian Lally

Trustee(s):

Rosendo Gonzalez (TR) Pro Se

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-10408 Christina Marie Uzeta

Chapter 7

#2.00 APPLICANT: Accountant: SLBIGGS, A

Division of SingerLewak

Hearing re [77] and [78] Applications for chapter 7 fees and administrative expenses

Docket 0

*** VACATED *** REASON: NOTICE OF WITHDRAWAL FILED 4-20-

21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Christina Marie Uzeta Represented By

Heather J Canning David Brian Lally

Trustee(s):

Rosendo Gonzalez (TR) Pro Se

Los Angeles **Judge Ernest Robles, Presiding** Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

<u>10:00 AM</u>

2:18-10408 **Christina Marie Uzeta** Chapter 7

APPLICANT: Other: FRANCHISE TAX BOARD #3.00

Hearing re [77] and [78] Applications for chapter 7 fees and administrative

expenses

0 Docket

*** VACATED *** REASON: NOTICE OF WITHDRAWAL FILED 4-20-

21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Christina Marie Uzeta Represented By

> Heather J Canning David Brian Lally

Trustee(s):

Pro Se Rosendo Gonzalez (TR)

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01236 St. Francis Medical Center v. Cardio Medical Consultants Medical Group of

#4.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01236. Complaint by St. Francis Medical Center against Cardio Medical Consultants Medical Group of Long Beach, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

fr. 11-3-20;P 1-26-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-22-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Claude D Montgomery Sam J Alberts

Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Cardio Medical Consultants Medical Pro Se

Plaintiff(s):

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01241 O'Connor Hospital v. Chem-Aqua, Inc.

#5.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01241. Complaint by O'Connor Hospital against Chem-Aqua, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 11-3-21; 1-26-21

Docket

*** VACATED *** REASON: DISMISSED 4-20-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth Kerry L Duffy

Defendant(s):

Chem-Aqua, Inc. Pro Se

Plaintiff(s):

O'Connor Hospital Represented By

Joseph L Steinfeld Jr Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01246 St. Francis Medical Center v. City of Lynwood, California

#6.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01246. Complaint by St. Francis Medical Center against City of Lynwood, California. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 11-3-20; 1-26-21

Docket 1

*** VACATED *** REASON: DISMISSED 1-20-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

City of Lynwood, California Pro Se

Plaintiff(s):

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 6 of 62

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc. Chapter 11

Adv#: 2:20-01319

St. Vincent Medical Center v. Jorge Estuardo Carrillo

#7.00 Status Hearing

> RE: [1] Adversary case 2:20-ap-01319. Complaint by St. Vincent Medical Center against Jorge Estuardo Carrillo. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR, 12-1-20; 1-19-21

Docket 1

*** VACATED *** REASON: DEFAULT JUDGMENT ENTERED 4-12-

21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

> Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Jorge Estuardo Carrillo Pro Se

Plaintiff(s):

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr

5/3/2021 11:31:11 AM

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc. Chapter 11

Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01503 Verity Health System of California, Inc. et al v. AT&T Inc.

#8.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01503. Complaint by Verity Health System of California, Inc., Verity Medical Foundation against AT&T Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-9-21

Docket 1

*** VACATED *** REASON: Cont'd to 8/17/21 at 10am

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

AT&T Inc. Pro Se

Plaintiff(s):

Verity Health System of California, Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Verity Medical Foundation

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc. Chapter 11

Adv#: 2:20-01506 St. Francis Medical Center et al v. Beckman Coulter, Inc.

#9.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01506. Complaint by St. Francis Medical Center, Seton Medical Center against Beckman Coulter, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: Cont'd to 9/17/21 at 10am

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

> Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Pro Se Beckman Coulter, Inc.

Plaintiff(s):

St. Francis Medical Center Represented By

> Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 11 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Seton Medical Center

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01508

O'Connor Hospital et al v. Cardinal Health 414, LLC

#10.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01508. Complaint by O'Connor Hospital, Verity Health System of California, Inc. against Cardinal Health 414, LLC. (14

(Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: cont'd to 9/21/21 at 10am

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel
John A Moe II
Tania M Moyron
Claude D Montgomery

Claude D Montgomery Sam J Alberts

Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Cardinal Health 414, LLC Represented By

Lei Lei Wang Ekvall

Plaintiff(s):

O'Connor Hospital Represented By

Joseph L Steinfeld Jr

Page 13 of 62

5/3/2021 11:31:11 AM

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Verity Health System of California,

Represented By Joseph L Steinfeld Jr Tania M Moyron

Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc. Chapter 11

Adv#: 2:20-01509 Seton Medical Center et al v. Carefusion 2200, Inc.

#11.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01509. Complaint by Seton Medical Center, St. Francis Medical Center against Carefusion 2200, Inc., (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 3-29-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

> Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Pro Se Carefusion 2200, Inc.

Plaintiff(s):

Seton Medical Center Represented By

> Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 15 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

St. Francis Medical Center

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01511 Verity Health System of California, Inc. et al v. Chancellor Consulting

#12.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01511. Complaint by Verity Health System of California, Inc., Verity Medical Foundation against Chancellor Consulting Group,

Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: Cont'd to 9/21/21 at 10am

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts
Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Chancellor Consulting Group, Inc. Pro Se

Plaintiff(s):

Verity Health System of California, Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 17 of 62

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Verity Medical Foundation

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc. Chapter 11

Adv#: 2:20-01513 Seton Medical Center et al v. Clean Earth Environmental Solutions, Inc.

#13.00 Status Hearing

> RE: [1] Adversary case 2:20-ap-01513. Complaint by Seton Medical Center, St. Francis Medical Center against Clean Earth Environmental Solutions, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 4-14-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

> Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Clean Earth Environmental Pro Se

Plaintiff(s):

Seton Medical Center Represented By

> Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 19 of 62

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

St. Francis Medical Center

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01515 St. Vincent Medical Center et al v. Cochlear Americas Corporation

#14.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01515. Complaint by St. Vincent Medical Center, O'Connor Hospital against Cochlear Americas Corporation. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-22-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Cochlear Americas Corporation Pro Se

Plaintiff(s):

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 21 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

O'Connor Hospital

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01524 St. Francis Medical Center et al v. Fluke Electronics Corporation

#15.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01524. Complaint by St. Francis Medical Center, Seton Medical Center against Fluke Electronics Corporation. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-9-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Fluke Electronics Corporation Pro Se

Plaintiff(s):

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 23 of 62

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Seton Medical Center

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01527 Seton Medical Center et al v. Getinge USA Sales, LLC

#16.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01527. Complaint by Seton Medical Center, St. Francis Medical Center against Getinge USA Sales, LLC. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 4-26-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel
John A Moe II
Tania M Moyron
Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry I Duffy

Kerry L Duffy

Defendant(s):

Getinge USA Sales, LLC Pro Se

Plaintiff(s):

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 25 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

St. Francis Medical Center

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01530 St. Francis Medical Center et al v. Haemonetics Corporation

#17.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01530. Complaint by St. Francis Medical Center, St. Vincent Medical Center against Haemonetics Corporation. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-2-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts
Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Haemonetics Corporation Pro Se

Plaintiff(s):

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 27 of 62

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

St. Vincent Medical Center

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01534 Verity Health System of California, Inc. et al v. Kronos Incorporated

#18.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01534. Complaint by Verity Health System of California, Inc., St. Vincent Medical Center against Kronos Incorporated. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: Cont'd 9/21/21 at 10am

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomer

Claude D Montgomery Sam J Alberts

Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Kronos Incorporated Pro Se

Plaintiff(s):

Verity Health System of California, Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 29 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

St. Vincent Medical Center

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc. Chapter 11

Adv#: 2:20-01535 St. Francis Medical Center et al v. Landmark Anethesia Medical Group

#19.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01535. Complaint by St. Francis Medical Center, Verity Medical Foundation against Landmark Anethesia Medical Group. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 3-8-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

> Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn

Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Pro Se Landmark Anethesia Medical Group

Plaintiff(s):

St. Francis Medical Center Represented By

> Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 31 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Verity Medical Foundation

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01536 Seton Medical Center et al v. Larratt Bros. Plumbing, Inc.

#20.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01536. Complaint by Seton Medical Center, Verity Holdings, LLC against Larratt Bros. Plumbing, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 3-30-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Korry I Duffy

Kerry L Duffy

Defendant(s):

Larratt Bros. Plumbing, Inc. Pro Se

Plaintiff(s):

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 33 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Verity Holdings, LLC

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc. Chapter 11

Adv#: 2:20-01538 Verity Business Services et al v. Geisinger

#21.00 Status Hearing

> RE: [1] Adversary case 2:20-ap-01538. Complaint by Verity Business Services, Seton Medical Center against Lisa Lhummel Geisinger. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: CONTINUED 9-21-21 AT 10:00 AM.

Tentative Ruling:

5/3/2021

Order entered. Status Conference CONTINUED to September 21, 2021 at 10:00 a.m.

Party Information

Debtor(s):

Verity Health System of California, Represented By

> Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Pro Se Lisa Lhummel Geisinger

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Plaintiff(s):

Verity Business Services Represented By

Joseph L Steinfeld Jr Tania M Moyron

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01539 St. Vincent Medical Center et al v. Los Angeles Department of Water and

#22.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01539. Complaint by St. Vincent Medical Center, Verity Holdings, LLC against Los Angeles Department of Water and Power. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 4-13-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Los Angeles Department of Water Pro Se

Plaintiff(s):

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 37 of 62

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

Verity Holdings, LLC

Represented By Joseph L Steinfeld Jr Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01541 St. Vincent Medical Center et al v. Mindray DS USA, Inc.

#23.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01541. Complaint by St. Vincent Medical Center, St. Louise Regional Hospital against Mindray DS USA, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-26-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Mindray DS USA, Inc. Pro Se

Plaintiff(s):

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 39 of 62

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

St. Louise Regional Hospital

Represented By Joseph L Steinfeld Jr Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01544 O'Connor Hospital et al v. Norcal Mutual Insurance Company

#24.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01544. Complaint by O'Connor Hospital, St. Francis Medical Center against Norcal Mutual Insurance Company. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-19-21

Docket 1

*** VACATED *** REASON: DISMISSED 1-18-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron Claude D Montgomery

Sam J Alberts Shirley Cho Patrick Maxcy Steven J Kahn Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Norcal Mutual Insurance Company Pro Se

Plaintiff(s):

O'Connor Hospital Represented By

Joseph L Steinfeld Jr Tania M Moyron

5/3/2021 11:31:11 AM

Page 41 of 62

Los Angeles Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

St. Francis Medical Center

Represented By Joseph L Steinfeld Jr Tania M Moyron

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01582

St. Francis Medical Center et al v. Johnson & Johnson Health Care Systems

#25.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01582. Complaint by St. Francis Medical Center, O'Connor Hospital, St. Vincent Medical Center, Seton Medical Center against Johnson & Johnson Health Care Systems Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-26-21

Docket 1

*** VACATED *** REASON: DISMISSED 1-25-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts
Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Johnson & Johnson Health Care Pro Se

Plaintiff(s):

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr

5/3/2021 11:31:11 AM

Page 43 of 62

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc. Chapter 11

Tania M Moyron

O'Connor Hospital Represented By

Joseph L Steinfeld Jr Tania M Moyron

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Los Angeles Ige Ernest Robles, Presidi

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01583 St. Francis Medical Center et al v. Philips Healthcare Informatics, Inc.

#26.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01583. Complaint by St. Francis Medical Center, St. Vincent Medical Center, Seton Medical Center, Saint Louise Regional Hospital against Philips Healthcare Informatics, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-26-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-9-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts
Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Philips Healthcare Informatics, Inc. Pro Se

Plaintiff(s):

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr

5/3/2021 11:31:11 AM

Page 45 of 62

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021	Hearing Room	1568

10:00 AM

CONT... Verity Health System of California, Inc. Chapter 11

Tania M Moyron

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Saint Louise Regional Hospital Represented By

Joseph L Steinfeld Jr Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01589

St. Vincent Medical Center et al v. Spectranetics LLC

#27.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01589. Complaint by St. Vincent Medical Center, O'Connor Hospital, Seton Medical Center, St. Francis Medical Center against Spectranetics LLC. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-26-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-9-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts
Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Spectranetics LLC Pro Se

Plaintiff(s):

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc. Chapter 11

Tania M Moyron

O'Connor Hospital Represented By

Joseph L Steinfeld Jr Tania M Moyron

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01590 O'Connor Hospital et al v. Taylor Communications, Inc.

#28.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01590. Complaint by O'Connor Hospital, St. Vincent Medical Center, Seton Medical Center, Verity Medical Foundation against Taylor Communications, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-26-21

Docket 1

*** VACATED *** REASON: DISMISSED 2-2-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel John A Moe II Tania M Moyron

Claude D Montgomery

Sam J Alberts
Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth
Kerry J Duffy

Kerry L Duffy

Defendant(s):

Taylor Communications, Inc. Pro Se

Plaintiff(s):

O'Connor Hospital Represented By

Joseph L Steinfeld Jr

5/3/2021 11:31:11 AM

Page 49 of 62

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc. Chapter 11

Tania M Moyron

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Verity Medical Foundation Represented By

Joseph L Steinfeld Jr Tania M Moyron

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

10:00 AM

2:18-20151 Verity Health System of California, Inc.

Chapter 11

Adv#: 2:20-01597 St. Francis Medical Center et al v. Depuy Synthes Sales, Inc.

#29.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01597. Complaint by St. Francis Medical Center, St. Vincent Medical Center, Seton Medical Center, O'Connor Hospital, Saint Louise Regional Hospital against Depuy Synthes Sales, Inc.. (14 (Recovery of money/property - other)) (Moyron, Tania)

FR. 1-26-21

Docket 1

*** VACATED *** REASON: DISMISSED 1-25-21

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Verity Health System of California, Represented By

Samuel R Maizel
John A Moe II
Tania M Moyron
Clouds D Montgomes

Claude D Montgomery

Sam J Alberts
Shirley Cho
Patrick Maxcy
Steven J Kahn
Nicholas A Koffroth

Kerry L Duffy

Defendant(s):

Depuy Synthes Sales, Inc. Pro Se

Plaintiff(s):

St. Francis Medical Center Represented By

Joseph L Steinfeld Jr

5/3/2021 11:31:11 AM

Page 51 of 62

Los Angeles

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc. Chapter 11

Tania M Moyron

St. Vincent Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

Seton Medical Center Represented By

Joseph L Steinfeld Jr Tania M Moyron

O'Connor Hospital Represented By

Joseph L Steinfeld Jr Tania M Moyron

Saint Louise Regional Hospital Represented By

Joseph L Steinfeld Jr Tania M Moyron

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM

2:21-12222 collab9, LLC, a Delaware limited liability company

Chapter 11

#100.00

HearingRE: [43] Application to Employ SulmeyerKupetz, A Professional Corporation as Bankruptcy Counsel Debtors Application For Order Authorizing Employment Of SulmeyerKupetz, A Professional Corporation, As Bankruptcy Counsel; Declarations Of Kevin B. Schatzle And Victor A. Sahn In Support Thereof, with proof of service,

Docket 43

Tentative Ruling:

5/3/2021

Note: Telephonic Appearances Only. The Courtroom will be unavailable for incourt appearances. If you wish to make a telephonic appearance, contact Court Call at 888-882-6878, no later than one hour before the hearing. The cost for persons representing themselves has been waived.

For the reasons set forth below, the Employment Application is **GRANTED**.

Pleadings Filed and Reviewed

- 1) Debtor's Application for Order Authorizing Employment of SulmeyerKupetz, a Professional Corporation, as Bankruptcy Counsel; Declarations of Kevin B. Schatzle and Victor A. Sahn in Support Thereof (the "Employment Application") [Doc. No. 43]
- 2) United States Trustee's Objection to Debtor's Application for Order Authorizing Employment of SulmeyerKupetz, a Professional Corporation, as Bankruptcy Counsel and Request for Hearing (the "Objection") [Doc. No. 76]
- 3) Notice of Application for Order Authorizing Employment of SulmeyerKupetz, a Professional Corporation, as Bankruptcy Counsel [Doc. No. 44]
- 4) Notice of Hearing on Debtor's Application for Order Authorizing Employment of SulmeyerKupetz, a Professional Corporation, as Bankruptcy Counsel [Doc. No. 78]
- 5) Supplemental Disclosure Re Debtor's Application For Order Authorizing Employment of SulmeyerKupetz, a Professional Corporation, as Bankruptcy Counsel; Declaration of Kevin B. Schatzle [Doc. No. 95]
- 6) Debtor's Reply to Objection of U.S. Trustee to Application for Order

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM CONT...

collab9, LLC, a Delaware limited liability company

Chapter 11

Authorizing Employment of SulmeyerKupetz, a Professional Corporation, as Bankruptcy Counsel; Declaration of David S. Kupetz in Support Thereof (the "Reply") [Doc. No. 98]

I. Facts and Summary of Pleadings

On March 19, 2021, Collab9, LLC (the "Debtor") filed its chapter 11 petition (the "Petition Date"). The Debtor is a cloud security service provider for managed voice, collaboration, conferencing and contact center services primarily for U.S. public sector customers. The Debtor states that its business operations have been severely undermined by Avaya, its largest creditor. Nevertheless, the Debtor asserts that it was able to find a path forward, "including obtaining funding, a commitment for additional essential financing, and implementation of a process to protect and preserve its business and the value of its business/assets through this chapter 11 case." *See* Doc. No. 5. The Debtor intends to seek a sale of the company's business and assets shortly.

A. The Employment Application

On March 26, 2021, the Debtor filed its Employment Application, seeking to employ SulmeyerKupetz (the "Firm") as bankruptcy counsel, effective as of March 19, 2021. The Debtor argues that the Firm's employment is necessary in order to, *inter alia*, 1) continue compliance with the United States Trustee requirements; 2) review claims of creditors; 3) give advice and counsel to the Debtor with respect to sale of property, use of cash collateral, reject or assume leases, and related matters; 4) negotiate with creditors; and 5) prepare legal documents, correspondence, and act as counsel for the Debtor in all bankruptcy related matters. Employment Application at 4. The Debtor further argues that the Firm is eminently qualified, as it has over 60 years of bankruptcy experience. Finally, the Debtor notes that the Firm is disinterested, not adverse to the estate, and its employment is in the best interest of the estate. *Id.* at 6-7.

The Debtor proposes that it will pay the Firm based upon the Firm's hourly rates pursuant to 11 U.S.C. § 330. See id. at 5. Prior to the Petition Date, the Debtor hired the Firm and provided the Firm a \$135,000 retainer as an advance for fees and costs incurred as of the commencement of the Debtor's case. The unused balance was to constitute an advance against fees and costs incurred after the Petition Date. As of the commencement of the case, the Firm's unused pre-petition retainer balance was

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM

CONT... collab9, LLC, a Delaware limited liability company

Chapter 11

zero. *Id.* at 6. The Debtor requests that the Court authorize the Firm to receive payment on a monthly basis with allowance of all fees and costs subject to final Court approval. The Firm seeks the authority to receive payments from the Debtor in the Firm's trust account on a weekly basis in the amount of \$25,000. Each month, the Firm will withdraw amounts from the trust account pursuant to the procedures set forth in the United States Trustee's Guide to Application for Retainers, and Professional and Insider Compensation for the Central District of California (the "Compensation Guide"). Notwithstanding the monthly draw-down procedures, compensation and reimbursement will be subject to Court approval. The Debtor argues that these procedures are necessary to "ease the financial burden" on the Firm. *Id.*

B. The Objection

On April 9, 2021, the United States Trustee (the "UST") filed its Objection. The UST does not object to the employment of the Firm, but only to the compensation procedures. The UST argues that the Debtor is seeking *Knudsen* payments and has not made a showing that it is entitled to such payments. Objection at 2. The UST asserts that *Knudsen* payments should only be allowed "in rare circumstances." *In re Knudsen*, 84 B.R. 668, 669-70 (9th Cir. BAP 1988). Furthermore, such payments are generally only allowed in "large Chapter 11 cases where a professional satisfies *Knudsen*'s evidentiary standard." Objection at 3. The UST states that "[i]f mere financial hardship or burden is sufficient to satisfy *Knudsen*, then every single solo bankruptcy practitioner or small firm would request the same treatment." *Id.* However, the "the Employment Application fails to provide any evidence or discussion to support the required *Knudsen* findings" and the Firm has failed to show that "being paid every 120 days as opposed to every 30 days will cause a firm of [the Firm's] size to be financing this Debtor's reorganization." *Id.*

The UST's second ground for its objection is that the Debtor is seeking an evergreen retainer. *Id.* at 4. "The evergreen retainer agreement contemplates that the retainer shall remain intact and that debtor's professionals' interim compensation shall be paid from the debtor's operating capital. Accordingly, professionals holding evergreen retainers do not look to this sum until such time as a final fee application is presented and approved by the court." *Id.* The UST avers that because the Firm has already received and drawn down its entire pre-petition retainer, it is not entitled to a post-petition retainer because the Compensation Guide "does not provide for

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM

CONT... collab9, LLC, a Delaware limited liability company

Chapter 11

continuous replenishment of the retainer." *Id.* The UST expresses concern over the continuous replenishment of the retainer because the applicant is then "seeking continuous fee payments without a proper fee application or review by the Court or any interested party." *Id.* Finally, the UST notes his willingness to compromise on the above issue if necessary, and allowing the Debtor to deposit \$25,000 per week into a trust account that the Firm can then draw from after filing regular fee applications every 120 days. That way, the Firm will have "some financial assurance that it will be paid." *Id.* at 5.

C. The Reply

On April 22, 2021, the Debtor filed its Reply. The Debtor notes that the UST's statement that the Debtor has not received any post-petition retainer is incorrect. On March 26, 2021, this Court issued its Interim Order Authorizing Debtor to Obtain Post-Petition Loan and Authorizing Debtor's Use of Cash Collateral (the "Interim DIP Financing Order"). Doc. No. 46. In the Interim DIP Financing Order, the Court approved of 11 payments of \$25,000 over 13 weeks, totaling \$275,000, that would be paid by the Debtor into the Firm's trust account. Interim DIP Financing Order at 13. The Court entered its Final Order Authorizing Debtor to Obtain Post-Petition Loan and Authorizing Debtor's Use of Cash Collateral (the "Final DIP Financing Order") on April 21, 2021, which contains substantially similar language to the Interim DIP Financing Order. Doc. No. 96. The Debtor argues that this is not an evergreen retainer because the Final DIP Financing Order allows for a maximum of \$275,000 to be deposited as a post-petition retainer, but there is no continuous replenishment. Rather, the Firm elected to receive weekly payments into its trust account because the Debtor did not have the up-front capital to pay \$275,000. Id. at 4. Furthermore, the Debtor argues that it is not attempting to seek fee payments without review by the Court or any other interested party; rather, it is drawing down on the \$275,000 post-petition retainer via providing a professional fee statement to the UST that complies with its Compensation Procedures. *Id.* at 5.

The Debtor argues that the UST incorrectly categorizes the draw-down procedures as a request for *Knudsen* payments. The Debtor states that "the proposed Draw-Down procedures are only used to allow [the Firm's] post-petition retainer in the form of advances received pursuant to the Court-approved budget to be drawn down, and does not result in approval of fees or expenses separate from the fee application process." *Id.* at 6. The Debtor cites to numerous cases in this District

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM

CONT... collab9, LLC, a Delaware limited liability company

Chapter 11

where similar draw-down procedures were approved. *See id.* at 6-7. To the extent that the Court construes the payments as *Knudsen* payments, the Debtor believes that the payments are warranted because of the substantial size of the case. Furthermore, the Firm agreed to represent the Debtor with a smaller up-front retainer, based upon the understanding that the Firm would receive a larger post-petition retainer (in the form of 11 \$25,000 payments). *Id.* at 8. Finally, all final fees that the Firm requests will be subject to notice, hearing, and Court approval. *Id.* at 8-9.

II. Findings of Fact and Conclusions of law

As a preliminary matter, the Court notes that the UST does not object to the Firm's qualifications or disinterestedness, or the necessity of the Firm's employment. Therefore, the narrow issue for consideration is the payment scheme by which the Debtor proposes to pay the Firm.

A. The "Evergreen Retainer"

An evergreen retainer is a type of security retainer whereby a professional will receive a "retainer" from the debtor, but interim compensation paid to the professional will not be paid from the "retainer." Rather, the payments will come from the debtor's operating income. At the conclusion of the bankruptcy proceeding, the professional may seek final fees that would then be paid out of the "retainer." Therefore, an evergreen retainer operates more as a security interest to protect the professional and assure said professional that it will get paid, as opposed to a true post-petition retainer. See generally In re Benjamin's-Arnolds, Inc., 123 B.R. 839, 840 (Bankr. D. Minn. 1990) (describing the evergreen retainer as a system whereby "attorneys and accountants would be employed provided that the prepetition retainers they had received would not be used to pay approved fees until the final fee applications and that all interim fees approved would be paid from operating cash."); In re Fitzsimmons Trucking, Inc., 124 B.R. 556 (Bankr. D. Minn. 1991) (granting an evergreen retainer and allowing counsel to submit fee statements to the court every 90 days); In re Pan American Hosp. Corp., 312 B.R. 706 (Bankr. S.D. Fla. 2004) (granting an evergreen retainer but not allowing counsel to submit fee applications more frequently than every 120 days).

The retainer requested here is not an evergreen retainer. While the UST argues that the Debtor has not received a post-petition retainer and should not be allowed to

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM

CONT... collab9, LLC, a Delaware limited liability company

Chapter 11

receive a continuous replenishment of any sort of retainer, the Court notes that in its Final DIP Financing Order, the Court approved of weekly payments of \$25,000 that would be paid from the Debtor into the Firm's trust account. Final DIP Financing Order at 13. The Firm argues that it requested, and the Court approved, a post-petition retainer of 11 payments of \$25,000 (totaling \$275,000) into its trust account. The Debtor is not requesting a continuous replenishment of the post-petition retainer. See Reply at ¶ 5 fn. 2 ("the post-petition retainer at issue here does not remain intact and is not replenished. Rather, per the Budget, it is in a specific amount (\$275,000) and is advanced over time (11 weekly payments over a period of 13 weeks)"). The Firm "would have preferred that the post-petition retainer be paid up front. However, the Debtor did not have adequate liquidity to do so " Reply at 4. Therefore, the Debtor and the Firm agreed upon the weekly payments to create the post-petition retainer. Furthermore, the Firm is requesting to draw down on the post-petition retainer, not use the post-petition retainer as a security interest and be paid from the Debtor's operating income in the meantime. There is no indication to the Court that this is an evergreen retainer because the pre-petition retainer does not remain intact, the post-petition retainer is not being continuously replenished, and, unlike in *In re* Benjamin's-Arnolds, the draw-downs will not come from the Debtor's operating income. Although the Court has already approved the weekly payments to the Firm's trust account, the Court again approves said payment procedure.

B. Interim Compensation Procedures

With respect to interim compensation, 11 U.S.C. § 331 states:

A trustee, an examiner, a debtor's attorney, or any professional person employed under section 327 or 1103 of this title may apply to the court not more than once every 120 days after an order for relief in a case under this title, or more often if the court permits, for such compensation for services rendered before the date of such application or reimbursement for expenses incurred before such date as is provided under section 330 of this title.

11 U.S.C. § 331. The Compensation Guide provides for more frequent payments if the Debtor has received a pre- or post-petition retainer:

Any professional who has received a pre-petition or post-petition retainer must submit to the United States Trustee a monthly Professional Fee Statement

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM **CONT...**

collab9, LLC, a Delaware limited liability company

Chapter 11

(Form USTLA-6) no later than the 20th day after the end of the month during which professional services were rendered, together with documentation supporting the charges for the professional services and expenses in the form required for professional fee applications by applicable law

The Professional Fee Statement must explicitly state that the fees and costs will be withdrawn from the trust account in the amount requested without further notice or hearing, unless an objection is filed with the clerk of court and served upon the applicant(a) within 10 days after service of the Professional Fee Statement.

Compensation Guide at I.B.1. & 2. Therefore, if a debtor has received a pre- or postpetition retainer, the debtor may draw down on that retainer by filing monthly statements.

The UST contends that the Firm's interim compensation procedures essentially amount to *Knudsen* payments. *In re Knudsen Corp.* created a test that allows for more frequent payments to professionals than § 331 would normally allow. Such payments are only allowed in large cases where "counsel is essentially compelled to finance the reorganization." *In re Knudsen*, 84 B.R. at 672. Professionals are allowed to receive payments without court approval under approved *Knudsen* procedures. *Id.* at 670.

However, the Court need not address the *Knudsen* test because the Debtor is not asking for *Knudsen* payments. The Debtor explicitly states that it is seeking to use the UST's own Compensation Guide draw-down procedures, discussed above. Such compensation procedures are not uncommon in this District. For example, in *Mad Dogg Athletics* (No. 2:19-bk-18730-WB), the Firm sought a similar arrangement. There, the Firm received a pre-petition retainer and had \$65,189.31 of that rolled over to a post-petition retainer. The Firm then requested the ability to draw down on that post-petition retainer pursuant to the UST's Compensation Guide. The Firm explicitly stated that it sought to "withdraw funds from the trust account maintained by [the Firm] pursuant to the procedures set forth in the [Compensation Guide]." *Mad Dogg Athletics*, No. 2:19-bk-18730-WB, Doc. No. 71 at 6. The UST made an almost identical objection to its Objection here, arguing that such compensation procedures were tantamount to an evergreen retainer and *Knudsen* payments. *Id.*, Doc. No. 91.

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM

CONT... collab9, LLC, a Delaware limited liability company

Chapter 11

Judge Brand overruled the UST's objection and allowed the Firm to draw down on the unused portion of the retainer pursuant to the procedures set forth in the Compensation Guide. *Id.*, Doc. No. 132. There are numerous other examples of similar procedures being approved for the Firm in this District. *See Glostation USA*, *Inc.*, No. 1:20-bk-435-MB, Doc. No. 106; *One Way Loans, LLC*, No. 2:18-bk-24572-SK, Doc. No. 91; *Sheikh Shoes, LLC*, No. 2:17-bk-24626-VZ, Doc. No. 254.

The Firm is requesting a monthly draw-down from the Court approved post-petition retainer pursuant to the UST's Compensation Guide. The Compensation Guide provides that the Firm will file a Form USTLA-6 Professional Fee Statement before any draw-down. Compensation Guide at I.B.1. Such draw-downs will be subject to Court approval if the UST requests a hearing within 10 days. *Id.* In contrast, *Knudsen* payments are *not* subject to court approval of billing statements, and are therefore distinguishable. *In re Knudsen*, 84 B.R. at 670 & 674. Here, the UST has the option of requesting Court approval of the Professional Fee Statements if it so choses. Because the Firm is requesting to use the UST's Compensation Guide for draw-downs and not the *Knudsen* procedures, the compensation scheme is approved.

III. Conclusion

Based upon the foregoing, the Employment Application is GRANTED, with employment effective as of March 19, 2021.

The Debtor shall submit a conforming order, incorporating this tentative ruling by reference, within seven days of the hearing.

No appearance is required if submitting on the court's tentative ruling. If you intend to submit on the tentative ruling, please contact Daniel Koontz or Andrew Lockridge at 213-894-1522. If you intend to contest the tentative ruling and appear, please first contact opposing counsel to inform them of your intention to do so. Should an opposing party file a late opposition or appear at the hearing, the court will determine whether further hearing is required. If you wish to make a telephonic appearance, contact Court Call at 888-882-6878, no later than one hour before the hearing.

Party Information

Debtor(s):

collab9, LLC, a Delaware limited

Represented By

5/3/2021 11:31:11 AM

Page 60 of 62

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021 Hearing Room 1568

11:00 AM

CONT... collab9, LLC, a Delaware limited liability company

Chapter 11

Victor A Sahn David S Kupetz Claire K Wu

Judge Ernest Robles, Presiding Courtroom 1568 Calendar

Tuesday, May 4, 2021

Hearing Room

1568

11:00 AM

2:21-12222 collab9, LLC, a Delaware limited liability company

Chapter 11

#101.00 Hearing

RE: [69] Application to Employ Law Offices Of Herbert Hafif as Special Litigation Counsel Application To Employ Law Offices Of Herbert Hafif As Special Litigation Counsel Declaration Of Kevin B. Schatzle In Support Thereof; Statement Of Disinterestedness, with proof of service,

Docket 69

*** VACATED *** REASON: CONTINUED 6-15-21 AT 11:00 A.M.

Tentative Ruling:

5/3/2021

On the court's own motion, continued to June 15, 2021 at 11:00 a.m.

Party Information

Debtor(s):

collab9, LLC, a Delaware limited

Represented By Victor A Sahn David S Kupetz Claire K Wu